

DEPARTMENT OF STATE REVENUE
LETTER OF FINDINGS NUMBER: 03-0063P
Gross Income Tax
For Calendar Year 1999

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ISSUE(S)

I. **Tax Administration** – Penalty

Authority: IC 6-8.1-10-2.1(d); 45 IAC 15-11-2

Taxpayer protests the penalty assessed.

STATEMENT OF FACTS

Taxpayer was audited for Calendar Year 1999. At audit, it was determined that the taxpayer failed to report Gross Income from Royalties from affiliated corporations that own and operate retail businesses in Indiana. The department issued a penalty billing.

I. **Tax Administration** – Penalty

DISCUSSION

Taxpayer, in a letter dated January 17, 2003 merely states that the Indiana return was completed with reasonable care to the best of their ability and was consistent with prior years. Taxpayer requests the penalty be waived.

In reviewing the audit and taxpayer's account, it is noted that the taxpayer was not registered to do business in the State of Indiana until the audit was completed and no tax returns were filed.

The taxpayer has not provided reasonable cause to allow a penalty waiver.

FINDING

Taxpayer's protest is denied.